

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 93-134-C - ORDER NO. 93-996 ✓
NOVEMBER 1, 1993

IN RE: Application of AmeriVision Communications,) ORDER
Inc. for a Certificate of Public) APPROVING
Convenience and Necessity to Operate as) CERTIFICATE
a Reseller of Telecommunication Services)
within South Carolina.)

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of AmeriVision Communications, Inc. (AmeriVision or the the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-8-280 (Supp. 1992) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed the Company to publish, one time, a prepared Notice of Filing and Hearing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing and Hearing was to inform interested parties of the Company's Application and the manner and time in which to file the appropriate pleadings for participation in the proceeding. The Company complied with this instruction and provided the Commission with proof of publication of the Notice of

Filing and Hearing. Petitions to Intervene were filed by Southern Bell Telephone and Telegraph Company (Southern Bell)¹ and the South Carolina Department of Consumer Affairs (the Consumer Advocate).

A hearing was commenced on August 31, 1993, at 11:00 a.m., in the Commission's Hearing Room. The Honorable Henry G. Yonce, Chairman, presided. Robert D. Coble, Esquire, appeared on behalf of the Company. Carl F. McIntosh, Esquire, represented the Consumer Advocate, and F. David Butler, General Counsel, represented the Commission Staff.

The Company presented the testimony of Carl Thompson, Sr., Vice-President of AmeriVision Communications, Inc., in support of its Application. Mr. Thompson explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a non-facilities based reseller. Mr. Thompson described the Company's services and billing procedures. Mr. Thompson testified that AmeriVision intends to provide resold telecommunications services. Mr. Thompson also stated that the Company planned to utilize the long distance facilities of Willtel and/or Sprint.

After full consideration of the applicable law, the Company's Application, and the evidence presented by the Company, and the Consumer Advocate, the Commission hereby issues its findings of

1. Southern Bell subsequently moved to withdraw its Intervention in this Docket and was allowed to withdraw its Intervention by Order No. 93-585, dated June 30, 1993.

fact and conclusions of law:

FINDINGS OF FACT

1. AmeriVision Communications, Inc. is incorporated under the laws of the State of Oklahoma, and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. AmeriVision Communications, Inc. operates as a non-facilities based reseller of interexchange services and wishes to do so in South Carolina.

3. AmeriVision Communications, Inc. has the experience, capability, and, with reservations, the financial resources to provide the services as described in its Application. (See Conclusion of Law No. 9, infra.)

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to AmeriVision Communications, Inc. to provide intrastate service through the resale of telecommunications services, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for AmeriVision for its resale services which includes only AT&T maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order

No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. AmeriVision shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. AmeriVision shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1992).

4. AmeriVision shall file its revised tariff and an accompanying price list to reflect the Commission's findings within thirty (30) days of the date of this Order. The revised tariff shall include the maximum rates approved for AT&T. Further, the tariff shall be filed with the Commission in a loose-leaf binder.

5. AmeriVision is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to

facilities-based interexchange carriers.

6. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if they so desire.

7. AmeriVision shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If AmeriVision changes underlying carriers, it shall notify the Commission in writing.

8. AmeriVision shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. AmeriVision shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A. However, due to AmeriVision's past financial difficulties, as shown on its financial exhibits, AmeriVision shall also file an income statement and balance sheet on a quarterly basis so that the Commission can more closely monitor AmeriVision's financial condition. The Commission explicitly reserves the right to reopen this Docket for further proceedings and consideration, should the Company's financial condition worsen.

10. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)

DOCKET NO. 93-134-C - ORDER NO. 93-996
NOVEMBER 1, 1993
ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS
FOR RESELLERS OF TELECOMMUNICATION SERVICE

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12 MONTHS
ENDING DECEMBER 31 OR FISCAL YEAR ENDING _____.

*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN
PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF
CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING
_____.

*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING
DECEMBER 31 OR FISCAL YEAR ENDING _____.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL
AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3
ABOVE).